



# **NORSE MARITIME A/S**

Central Business Registration No 42 19 19 30  
Annual Report 2023

The Annual General Meeting adopted the annual report on 26.06.2024

Chairman of the Annual General Meeting

# Contents

	<b><u>Page</u></b>
Company details	2
Statement by Management	3
Independent Auditor's Report	4
Financial highlights	7
Management commentary	8
Management commentary - continued	9
Management commentary - continued	10
Income statement for the period 2023	12
Balance sheet at 31.12.2023	13
Statement of cash flow for the period 01.01.2023 – 31.12.2023	15
Notes	16
Accounting policies	19

# Company details

## **COMPANY**

Norse Maritime A/S  
Sundkrogsgade 19  
2100 Copenhagen Ø, Denmark

Central Business Registration No. 42 19 19 30  
Registered in: City of Copenhagen  
Financial year: 01.01.2023 – 31.12.2023

## **EXECUTIVE MANAGEMENT**

Amrit Peter Kalsi, CEO

## **BOARD OF DIRECTORS**

Frank Gülnar Jensen, Chairman

Simon Christensen

Amrit Peter Kalsi

Shigenobu Matsuzawa

Kotaro Abe

Yuma Abe

## **AUDITORS**

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management

The Board of Directors and the Executive Management have today considered and approved the annual report of Norse Maritime A/S for the financial year 01.01.2023 – 31.12.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2023 and of the result of its operations and cash flows for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 26.06.2024

## Executive Management

Amrit Peter Kalsi  
CEO

## Board of Directors

Frank Gülnar Jensen  
Chairman

Simon Christensen

Amrit Peter Kalsi

Shigenobu Matsuzawa

Kotaro Abe

Yuma Abe

# Independent Auditor's Report

## To the shareholders of Norse Maritime A/S

### Opinion

We have audited the financial statements of for the financial year 01.01.2023 – 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity, statement of cash flow and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations and cash flows for the financial year 01.01.2023 – 31.12.2023 in accordance with the Danish Financial Statements Act

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Statement on the management commentary**

Management is responsible for the statement by management. Our opinion on the financial statements does not cover the statement by management, and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the statement

by management and, in doing so, consider whether the statement by management is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Moreover, it is our responsibility to consider whether the statement by management provides the information required by relevant law and regulations. Based on the work we have performed, we conclude that the statement by management is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the statement by management.

Copenhagen, xx.xx.2024

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No. 33 96 35 56

**Niels Skannerup Vendelbo**

State Authorized Public Accountant  
Identification No (Mne) mne34532

**Martin Pieper**

State Authorized Public Accountant  
Identification No (Mne) mne44063

# Financial highlights

	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<u>USD'000</u>	<u>USD'000</u>	<u>USD'000</u>
<b>Key figures</b>			
Revenue	190,033	183,507	58,204
Profit from operations	13,108	23,176	1,644
Net financials	2,410	639	49
Profit for the year	14,642	23,695	1,653
Equity	44,768	29,847	6,152
Assets, total	59,773	48,914	13,078
Cash flows from operating activities	4,036	27,006	5,534
Cash flows from financing activities	(10,000)	-	4,499
<b>Ratios</b>			
Profit margin (%)	6.9	12.6	2.8
Return on assets (%)	21.9	47.4	12.6
Return on equity (%)	39.2	131.6	26.9
Equity ratio (%)	74.9	61.0	47.0

For definitions of key ratios, see accounting policies.

In connection with the merger with accounting effect as of 1 January 2023, the comparative figures for 2022 have not been restated, see reference under accounting policies.

# Management commentary

## Primary activities

The object of the Company is to carry out international shipping business, trading, transport including other associated activities.

## Development in activities and finances

The profit for the Entity is USD 14,642 thousand and at the end of the year the Company has an equity of USD 44,768 thousand.

Compared to 2022 with a profit of USD 23,695 thousand, the lower result was primarily driven by a weakened market with decreased freight rates.

Norse Maritime A/S has been merged with Lignum Maritime A/S (CVR-No. 42912670) as per 15 May 2023. The merger has accounting effect from 1 January 2023 applying the book value method, without changing the comparative figures.

## Uncertainty relating to recognition and measurement

No specific uncertainties relating to recognition and measurement have been identified.

## Outlook

Overall, for 2024 Norse Maritime A/S expects an increased operating result compared to 2023, due to increased activity and expected positive change in market conditions and additions to the fleet.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## Impact on external environment

The Company is conscious about the environmental impact and is continuously working on reducing the Company's operational impact on the external environment. Please also refer to the below CSR policy.

## Financial risks

Financial risks are limited to common risks for the Company and for the business area in which it operates.

## Data ethics

Please refer to the section on CSR.

# Management commentary - continued

## Corporate Social Responsibility

### Business Model

The Company charters several modern bulk vessels which are commercially operated by Clipper Bulk A/S on behalf of the Company. The Company's customer base spans from large commodity houses to single commodity producers and it transports steel, wood pellets, forestry products, grains, and fertilizers amongst others.

The Company relies on commercial management and administration services from Clipper Bulk A/S and there are no employees in the Company. Clipper Bulk A/S has established several policies touching upon CSR topics, set several targets and prepared a sustainability report, which the Company refers to. The Company has not set its own non-financial targets.

### Key CSR Topics

The Company has identified the following key CSR Topics:

Topic	Description	Mitigation
Decarbonization	The Maritime industry is undergoing a transition towards zero emission of greenhouse gases.	The Company charters modern and fuel-efficient vessels and keeps a close eye on technical developments.
Corruption	The Company trades worldwide, which increases the risk of encountering corruption.	The Company is relying on its commercial manager, Clipper Bulk A/S' anti-corruption policy and anti-corruption training.
Sanctions	Sanctions is by nature a high-risk topic for companies being involved in global trade.	The Company is relying on its commercial manager, Clipper Bulk A/S, to do sanctions check and training.
Seafarer's Human Rights & Labor Standards	As an operator, the Company does not employ crew directly and does not have all the details about working conditions.	Charter in contracts has clauses stipulating clear expectations for reasonable working conditions and respect of the crew members human rights.

## **Management commentary - continued**

### **Policies**

The Company does not have any employees and has outsourced the operation of its activities to Clipper Bulk.

The Company is therefore relying on Clipper Bulk A/S' CSR policies, which include the following:

- CSR policy,
- Anti-corruption policy,
- Competition law compliance policy,
- Export control compliance policy,
- International sanctions compliance policy,
- Human rights policy and
- Data ethics policy.

The Company has therefore not developed its own policy on environment, climate, social and labor, human rights, data ethics and anti-corruption.

**Gender diversity**

There are no female members of the board of directors, which currently consist of six male members all elected by the shareholders. The Company has set a goal that 16 percent of the members of the board elected by the shareholders shall be female by the end of year 2027. The Chair of the board has during the year had meetings with potential board candidates. As the Company does not have any employees it is not required to develop a policy for promoting the underrepresented gender on management level.

	2023
Board of Directors members in total	6
Percentage of underrepresented gender	0%
Target	16%
Target year	2027
Other management levels – members in total	0

## Income statement for the period 2023

	Notes	2023	2022
		<u>USD'000</u>	<u>USD'000</u>
<b>Revenue</b>	1	<b>190,033</b>	<b>183,507</b>
Operating expenses		(176,792)	(160,298)
Administrative expenses	2	<u>(133)</u>	<u>(33)</u>
<b>Profit from operations</b>		<b>13,108</b>	<b>23,176</b>
Financial income		2,829	1,021
Financial expenses		<u>(419)</u>	<u>(382)</u>
<b>Profit before taxes</b>		<b>15,518</b>	<b>23,815</b>
Tax for the year	3	<u>(876)</u>	<u>(120)</u>
<b>Profit for the year</b>	4	<b><u>14,642</u></b>	<b><u>23,695</u></b>

## Balance sheet at 31.12.2023

	Notes	2023	2022
		<u>USD'000</u>	<u>USD'000</u>
<b>Assets</b>			
Bunkers and stock		8,811	3,663
Trade accounts receivable		6,479	7,152
Voyages in progress		2,401	978
Receivables, related parties		-	83
Prepaid expenses and other assets		83	-
Cash		<u>41,999</u>	<u>37,039</u>
<b>Current assets</b>		<b><u>59,773</u></b>	<b><u>48,914</u></b>
<b>Assets</b>		<b><u>59,773</u></b>	<b><u>48,914</u></b>
<b>Equity and liabilities</b>			
Share capital		175	160
Share Premium		7,188	4,339
Proposed dividend		-	10,000
Retained earnings		<u>37,405</u>	<u>15,348</u>
<b>Equity</b>	5	<b><u>44,768</u></b>	<b><u>29,847</u></b>
Trade accounts payable		7,049	6,113
Voyages in progress		4,567	8,922
Due to related parties		3,254	1,573
Tax payables		135	120
Other payables		<u>-</u>	<u>2,339</u>
		15,005	19,067
<b>Current liabilities</b>		<b><u>15,005</u></b>	<b><u>19,067</u></b>
<b>Liabilities</b>		<b><u>15,005</u></b>	<b><u>19,067</u></b>
<b>Equity and liabilities</b>		<b><u>59,773</u></b>	<b><u>48,914</u></b>
Transactions with related parties	6		
Unrecognised time-charter commitments	7		
Ownership	8		
Subsequent events	9		

## Statement of changes in equity for the period 01.01.2023 – 31.12.2023

	<b>Share capital</b>	<b>Share premium</b>	<b>Proposed dividend</b>	<b>Retained Earnings</b>	<b>Total</b>
	<u>USD'000</u>	<u>USD'000</u>	<u>USD'000</u>	<u>USD'000</u>	<u>USD'000</u>
<b>Balance, January 1, 2023</b>	<b><u>160</u></b>	<b><u>4,339</u></b>	<b><u>10,000</u></b>	<b><u>15,348</u></b>	<b><u>29,847</u></b>
Net effect from merger and acquisition	<u>15</u>	<u>2,849</u>	<u>-</u>	<u>7,415</u>	<u>10,279</u>
Dividends paid	<u>-</u>	<u>-</u>	<u>(10,000)</u>	<u>-</u>	<u>(10,000)</u>
Profit for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,642</u>	<u>14,642</u>
<b>Balance, December 31, 2023</b>	<b><u><u>175</u></u></b>	<b><u><u>7,188</u></u></b>	<b><u><u>-</u></u></b>	<b><u><u>37,405</u></u></b>	<b><u><u>44,768</u></u></b>

## Statement of cash flow for the period 01.01.2023 – 31.12.2023

	Notes	2023	2022
		<u>USD'000</u>	<u>USD'000</u>
Profit for the year		14,642	23,695
Adjustments for:			
Financial income		(2,829)	(1,021)
Financial Expenses		419	382
Tax		876	120
Change in receivables and other current assets		(5,899)	(7,853)
Change in payables and accrued liabilities		(4,060)	11,044
Acquisition of current assets and liabilities from Lignum		(622)	-
Financial income received		2,829	1,021
Financial expenses paid		(419)	(382)
Taxes received / (paid)		<u>(901)</u>	<u>-</u>
<b>Net cash flows from operating activities</b>		<b><u>4,036</u></b>	<b><u>27,006</u></b>
<b>Financing activities</b>			
Dividends paid		<u>(10,000)</u>	<u>-</u>
<b>Net cash flows used in financing activities</b>		<b><u>(10,000)</u></b>	<b><u>-</u></b>
<b>Investing cash flows</b>		<b><u>10,924</u></b>	<b><u>-</u></b>
Change in cash and cash equivalents		(5,964)	27,006
Cash and cash equivalents, beginning of period		<u>37,039</u>	<u>10,033</u>
<b>Cash and cash equivalents, end of period</b>		<b><u>41,999</u></b>	<b><u>37,039</u></b>

# Notes

## 1. Revenue

	<b>2023</b>	<b>2022</b>
	<u>USD'000</u>	<u>USD'000</u>
Freight revenue	141,542	156,451
Time charter revenue	48,346	26,365
Other revenue	145	691
	<u><b>190,033</b></u>	<u><b>183,507</b></u>

The Company has identified one geographic market as the activity in shipping operates on a global market.

## 2. Administrative expenses

### Fee for the auditor elected by the general meeting

Total fee Deloitte

	<b>2023</b>	<b>2022</b>
	<u>USD'000</u>	<u>USD'000</u>
Fee related to statutory audit	28	11
Other assurance services	14	-
Other services	4	-
	<u><b>46</b></u>	<u><b>11</b></u>

Information about remuneration of the Board of Directors and the Executive Management has been omitted in accordance with section 98b(3)(ii) of the Danish Financial Statements Act.

## 3. Tax for the year

	<b>2023</b>	<b>2022</b>
	<u>USD'000</u>	<u>USD'000</u>
Tax for the year	(688)	(120)
Adjustments to prior years	(188)	-
<b>Total tax</b>	<u><b>(876)</b></u>	<u><b>(120)</b></u>

The Company has entered the Danish tonnage tax regime for a binding 10-year period from the income year 2021.

# Notes

## 4. Proposed distribution of profit and loss

	<b>2023</b>	<b>2022</b>
	<u>USD'000</u>	<u>USD'000</u>
Proposed dividend	-	10,000
Retained earnings	<u>14,642</u>	<u>13,695</u>
	<b><u>14,642</u></b>	<b><u>23,695</u></b>

## 5. Share capital

The share capital is composed as follows:

	<b>2023</b>	<b>2022</b>
Share capital (DKK'000)	<u>1,100</u>	<u>1,000</u>
Share capital (USD'000), translated at historical rates	<u>175</u>	<u>160</u>

The shares have not been divided into different classes.

## 6. Transactions with related parties

Transactions with related parties comprise below:

	<u>Entities with significant influence</u>	
	<b>2023</b>	<b>2022</b>
	<u>USD'000</u>	<u>USD'000</u>
Revenue	5,072	3,969
Operating expenses	4,665	4,033
Profit share	12,033	22,448

# Notes

## 7. Unrecognised time-charter commitments

	<b>2023</b>	<b>2022</b>
	<u>USD'000</u>	<u>USD'000</u>
Within 1 year	53,672	31,767
1 - 5 years	107,611	85,794
Above 5 years	-	-
	<u>161,284</u>	<u>117,561</u>

The Company has entered into a Memorandum of Understanding regarding chartering of a number of vessels.

## 8. Ownership

At 31.12.2023, the Company was owned by Clipper Bulk Shipping Ltd., Bahamas (35.934%), Nissen Kaiun Co., Ltd., Japan (36.075%), Navi Merchants A/S, Denmark (13.066%) and Mitsui & Co., Ltd., Japan (14.925%).

## 9. Subsequent events

No material events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

# Accounting policies

## Reporting class

This annual report of the Company has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The annual report covers the period 01.01.2023 – 31.12.2023.

The accounting policies are unchanged compared to last year. Certain reclassifications in comparative figures have been made without any effects on profit for the year or equity at the balance sheet date.

## Merger in 2023

On 15 May 2023 it was decided that with accounting effect from 1 January 2023, Norse Maritime A/S and Lignum Maritime A/S (CVR-No. 42912670) was merged with Norse Maritime A/S as the surviving entity.

The merger has been implemented using the book value method, hence comparative figures for 2022 have not been adjusted.

## Basis of preparation

The Company presents the financial statements for the Company in USD. The DKK exchange rate against USD applied is 6.7447 at 31.12.2023 (31.12.2022: 6.9722).

## Recognition and measurement

Assets are recognized in the statement of financial position when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the assets can be measured reliably.

Liabilities are recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is affected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the end of the reporting period are considered at recognition and measurement.

Income is recognized in the statement of profit and loss when earned, whereas costs are recognized by the amounts attributable to this financial year. Value adjustments of financial assets and liabilities are recognized in the statement of profit and loss as financial income or financial expenses.

## **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the end of the reporting period are translated using the exchange rate at the end of the reporting period. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date or the rate at the end of the reporting period are recognized in the statement of profit and loss as financial income or financial expenses. Fixed assets purchased in foreign currencies are translated using the exchange rate at the transaction date.

## **Income statement**

### **Revenue**

Time charter revenue is recognized over the term of the charter.

Revenue from voyage charter activities is recognized over time as the performance obligation is satisfied, including a share of the freight income from incomplete voyages at the balance sheet date. The estimate is performed in accordance with the “over-time principle” where the share of revenue to be recognized is determined as the percentage of the estimated duration of the voyage completed at the balance sheet date.

For losses estimated on the completion of voyages and time charters in progress at the end of a reporting period, a provision is recognized to cover the anticipated net loss.

### **Operating expenses**

Commercial expenses include costs relating to the operation of the Company’s chartered vessels, including time charter costs for short-term charters, port charges, bunker costs, maintenance costs, insurance costs and management fee. Like revenue, vessel-operating costs are recognized concurrently with receipt of services over the life of a voyage of the time charter period.

### **Administrative expenses**

Administration expenses comprise costs incurred from the management of the Company. The Company has no employees but management fees from other business partners.

### **Financial income and expenses**

Financial income and financial expenses comprise interest as well as realized and unrealized exchange rate adjustments.

**Tax on profit/loss for the year**

Tax for the year, which consists of current tonnage tax for the year, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Company have entered the Danish tonnage tax regime for a binding 10-year period from the income year 2021.

**Statement of financial position****Bunkers and stock**

Bunkers and lubricant oils are stated at the lower of cost and net realizable value. Cost of bunkers and stocks is determined on a first-in-first-out basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

**Receivables**

Receivables are measured at amortized cost, usually equaling nominal value, less write-downs for bad and doubtful debts.

**Cash**

Cash comprises cash in hand and bank deposits.

**Current liabilities**

Liabilities, comprising trade payables and other payables, are measured at amortized cost, corresponding substantially to nominal value.

**Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account.

**Cash flow statement**

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition, merger and divestment of enterprises, activities and fixed asset investments.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt and payment of dividend.

Cash and cash equivalents comprise cash and bank deposits.

### **Ratios**

The ratios have been compiled applying the formulas listed below:

Profit margin	=	$\frac{\text{Operating profit/(loss)} \times 100}{\text{Revenue}}$
Return on assets	=	$\frac{\text{Operating profit/(loss)} \times 100}{\text{Assets, total}}$
Return on equity	=	$\frac{\text{Profit/(loss) for the year} \times 100}{\text{Average equity}}$
Equity ratio	=	$\frac{\text{Equity} \times 100}{\text{Assets, total}}$